
FEDERAL ENERGY REGULATORY COMMISSION



WASHINGTON, D.C. 20426

NEWS RELEASE

NEWS MEDIA CONTACT:

Bryan Lee
(202) 502-8680

FOR IMMEDIATE RELEASE:

May 6, 2004
Docket No. ER03-262-009

COMMISSION GRANTS KENTUCKY REGULATORS' MOTION TO DEFER ACTION ON AEP'S INTEGRATION INTO PJM

The Federal Energy Regulatory Commission today granted a motion by the Kentucky Public Service Commission, American Electric Power and PJM Interconnection, and deferred action on an administrative law judge's initial decision addressing AEP's integration into PJM.

The deferral was granted to allow the Kentucky PSC time to act on a potential settlement that would resolve the State Commission's concerns regarding AEP's choice of PJM to fulfill the Columbus, Ohio-based utility's state and federal commitments to join a FERC-approved regional transmission organization (RTO).

On November 25, 2003, the Commission set for hearing the question of whether, under Section 205(a) of the Public Utility Regulatory Policies Act (PURPA), it could exempt AEP from laws, rules or regulations in Virginia and Kentucky that were preventing the utility from joining PJM's RTO. In a March 12, 2004, initial decision, Administrative Law Judge William J. Cowan supported the Commission's initial finding that the PURPA provision supported granting AEP the exemption.

"AEP should be exempted from the requirements of the Virginia and Kentucky laws, rules or regulations . . . to the extent required to consummate its timely integration into PJM," Judge Cowan concluded in his decision.

Today's order defers Commission action on that initial decision until May 20, or sooner if the Kentucky PSC acts before that date, to enable parties an opportunity to enter into a settlement before the State Commission.